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6 February 1967

**MEMORANDUM****SUBJECT: Comparison of US and Soviet Military Expenditures**

1. The table below compares US and Soviet military and space spending in 1966. 1/

	<u>Billion Dollars</u>	
	<u>US</u>	<u>USSR</u>
	<u>(FY 66)</u>	<u>(CY 66)</u>
Strategic Offense	4.6	5.5
Strategic Defense	1.6	5.5
General Purpose	30.3	17.3
RDT&E and Space	14.7	10.3
Command and General Support	22.3	13.1
Total	<u>73.5</u>	<u>51.7</u>

As this table indicates, the Soviets are spending somewhat more than the US for strategic offense, very much more for strategic defense, but only about 70 percent as much in total.

25X1

1/ This table includes civilian space (NASA) and nuclear weapons programs (AEC) for both countries. Soviet spending is in terms of US costs. The Soviet breakdown differs from the one presented in the CIA Special Report,  page 4. In the present instance, Soviet expenditures on nuclear weapons (except RDT&E) are placed under command and general support, for comparability with US data.

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GROUP 1 Excluded from automatic downgrading and declassification
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2. The following table shows the percentages of total US and Soviet military and space spending in 1966, by mission.

	US Percent (Dollar Basis) FY 1966	USSR Percent (Ruble Basis) CY 1966	2/
Strategic Offense	6	13	
Strategic Defense	2	13	
General Purpose	41	30	
RDT&E and Space	20	25	
Command and General Support	31	19	
Total	<u>100</u>	<u>100</u>	

3. Following are comments on this comparison:

a. The US percentages are strikingly different from those which prevailed before the US became heavily involved in Vietnam.

b. The US share spent on strategic offense is all intercontinental; in recent years about one-third of the Soviet share has been for systems targeted against Europe and other peripheral areas.

c. The Soviet percentage for strategic defense consistently has been much larger than that of the US.

d. The large US percentage for general purpose forces is unusual. Before Vietnam it was about one-third of the total.

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2/ These percentages are based on the ruble costs of Soviet military and space expenditures and not on the dollar costs presented on the first page of this memorandum.

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